



Alan G. Macdonald  
Executive Director

December 30, 2002

Hon. Nancy Flavin  
238 State House  
Boston, MA 02133

Hon. Mark Montigny  
212 State House  
Boston, MA 02133

Dear Representative Flavin and Senator Montigny:

*The Feasibility of Consolidated Health Care Financing and Streamlining Health Care Delivery in Massachusetts* (The Report) identifies a number of areas where health care services can be improved in Massachusetts. The Report offers several options for new ways to finance health care in Massachusetts, but does not persuade us that consolidating health care financing in Massachusetts is the preferred way to improve those areas of need.

A survey cited in the introduction of The Report finds that 83% of the people in Massachusetts are either satisfied or very satisfied with their access to medical care. The areas of mental health, home health care and long-term health care are cited as areas of limited access. Those areas can be addressed without reengineering the payment system for all medical care in Massachusetts.

Unfortunately, especially in recent years, there has not been enough public money made available to fund the Commonwealth's programs for patients in need of financial assistance. For example, as The Report states, a large percentage of dentists, radiologists, and other professionals will not see Medicaid patients in Massachusetts because of low reimbursement rates.

The report estimates that a consolidated financing program in Massachusetts would cost \$3 billion to \$6 billion more than the \$41 billion spent this year by all payers for health care in Massachusetts. If more funding could be made available, as The Report shows is needed, it would be better, and certainly less disruptive for the 83% cited above, to first use such additional funding to pay for currently underfunded health care programs, before changing to an entirely new financing system for 100% of the population, that will surely have unknown consequences.

Earlier this year, the Massachusetts Business Roundtable published a report, *Solutions for Massachusetts Health Care*, to examine ways of managing health care costs and possibly adding new funds to the system. The underlying theme of the MBR report is to establish more consumer responsibility in health care purchases, to provide more market place activity in the health care system, and to make health insurance more affordable for both public and private purchasers. *Solutions for Massachusetts Health Care* is available on [www.maroundtable.com](http://www.maroundtable.com). It is MBR's recommended first step for improving affordability and access to health care in Massachusetts at this time.

Sincerely,

A handwritten signature in dark ink that reads "Alan G. Macdonald". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Alan G. Macdonald

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